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**SENATE BILL 5774**

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**State of Washington**

**54th Legislature**

**1995 Regular Session**

**By** Senators Pelz, Newhouse and Deccio; by request of Employment Security Department

Read first time 02/06/95. Referred to Committee on Labor, Commerce & Trade.

1 AN ACT Relating to the authority of the employment security  
2 department to share data; amending RCW 50.13.080; creating new  
3 sections; prescribing penalties; providing an effective date; and  
4 declaring an emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** The legislature finds that the employment  
7 security department needs to expand its limited authority to share  
8 private and confidential data to include public and nonprofit persons  
9 or organizations under contract with the department to increase the  
10 department's efficiency and quality of service to the public. All  
11 parties to these contracts are subject to applicable sanctions for  
12 misuse or unauthorized release of private and confidential data under  
13 state and federal law.

14 **Sec. 2.** RCW 50.13.080 and 1977 ex.s. c 153 s 8 are each amended to  
15 read as follows:

16 The employment security department shall have the right to disclose  
17 information or records deemed private and confidential under this  
18 chapter to any ((private)) person or organization when such disclosure

1 is necessary to permit ((private)) contracting parties to assist in the  
2 operation and management of the department in instances where certain  
3 departmental functions may be delegated to ((private)) parties to  
4 increase the department's efficiency or quality of service to the  
5 public. The ((private)) persons or organizations shall use the  
6 information or records solely for the purpose for which the information  
7 was disclosed and shall be bound by the same rules of privacy and  
8 confidentiality as employment security department employees. Nothing  
9 in this section shall be construed as limiting or restricting the  
10 effect of RCW 42.17.260((+5))(7). The misuse or unauthorized release  
11 of records or information deemed private and confidential under this  
12 chapter by any ((private)) person or organization to which access is  
13 permitted by this section shall subject the person or organization to  
14 a civil penalty of five ((hundred)) thousand dollars and other  
15 applicable sanctions under state and federal law. Suit to enforce this  
16 section shall be brought by the attorney general and the amount of any  
17 penalties collected shall be paid into the employment security  
18 department administrative contingency fund. The attorney general may  
19 recover reasonable attorneys' fees for any action brought to enforce  
20 this section.

21 NEW SECTION. **Sec. 3.** If any part of this act is found to be in  
22 conflict with federal requirements that are a prescribed condition to  
23 the allocation of federal funds to the state or the eligibility of  
24 employers in this state for federal unemployment tax credits, the  
25 conflicting part of this act is hereby declared to be inoperative  
26 solely to the extent of the conflict, and such finding or determination  
27 shall not affect the operation of the remainder of this act. The rules  
28 under this act shall meet federal requirements that are a necessary  
29 condition to the receipt of federal funds by the state or the granting  
30 of federal unemployment tax credits to employers in this state.

31 NEW SECTION. **Sec. 4.** This act is necessary for the immediate  
32 preservation of the public peace, health, or safety, or support of the  
33 state government and its existing public institutions, and shall take  
34 effect July 1, 1995.

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